

The merger of Sirius and XM poses no risk of a monopoly whatsoever. To understand this one must take into account the broader market that they operate within. These two companies are not only competing against each other but their competitors are numerous and include terrestrial radio, HD radio, MP 3 players, and the internet. With an ever increasing availability of music outlets it would be shortsighted and narrow minded to believe that these companies are not competing against these larger entities. If you examine the competitive environment that both companies operate in one can clearly see that there are more choices then just satellite radio. Starting with so called "terrestrial radio" which garners the highest percentage of the market with as many as over 100 million listeners opposed to only around 13 million satellite subscribers Another threat or competitor to Sirius and XM are the new high definition radios which have been gaining in popularity as of late. These pose a significant risk and deterrent of a monopoly post merger. The other element that will not allow the companies to create a monopoly is the MP3 players which have configured to fit in cars. The most popular of course is the I POD which continues to churn out monthly sales in millions of units. The Apple IPOD is the most popular and versatile music entertainment hardware in history and will continue to corner the music market of between 25 to 50% depending on what sales figure you believe. The internet is another competing force where many stations have live streaming music which competes with satellite portable players. The key to examining the merger, which I trust the FCC will do, is to apply the broader concept of competitive environments in which satellite radio operates in. When someone goes to the store to decide to buy a music hardware device, they don't limit themselves to an XM or Sirius radio they examine all the options that are most convenient and affordable to their tastes which includes all of the above. The consumer would not be harmed by the merger but benefit because of the increased availability of programming and the ability to switch to an alternative if they do not like the XM/Sirius program/price offerings.